

25 January 2006

Mr. Trent Bartlett
Chairman
Capricorn Society Limited
172 Burswood Road
Burswood WA 6100

Dear Trent:

Co-operative Identity Program – Senior Managers and Board Members

The Federation and Co-operative College are pleased to provide this proposal for your consideration. It is the outcome of a number of discussions and meetings held with Capricorn, including the visit in September 2005 by Mervyn Wilson, Chief Executive and Principal of the Co-operative College in the UK. Three copies of the proposal are enclosed.

Capricorn has indicated its interest in providing co-operative education, particularly for its members and recognises the need to be able to communicate the co-operative difference to both members and employees.

The College has worked with major co-operatives on co-operative identity and co-operative education programs for staff and members for very many years. As a result, one thing they are absolutely clear on is that such programs only work with drive and commitment from executive level management, based on their clear understanding of their current strengths as a co-operative. Their experience is that clarity on co-operative identity and purpose should underpin wider training needs – whether they be in management, director, member or employee training.

This proposal should be seen as a key first stage in developing a strategy for co-operative education for Capricorn in that, by working with the Board and senior management, we would help them identify the core components of the program that would be subsequently developed for staff, members and other stakeholders.

Therefore, the fundamental purpose of this program is to help Capricorn's senior managers and board members develop such understanding and identify areas where they need to undertake further work before rolling out programs to wider sections of staff and membership.

You will see that the Program is of two days duration and will be facilitated by a Co-operative College trainer supported by either Elizabeth Cheong or Graeme Charles, Deputy Chairman of the Federation. The format of the program is outlined in the attached program, but in terms of timing of the individual components it is important that each session builds on earlier sessions, and there is clear understanding before moving on. As an indication, it is envisaged that we would get through to the Definitions of Value by the end of the first day, and probably start the second day with the section on the importance of values to the business. There will be a great deal of detailed planning work required before delivery, when more exact timelines for each component of the program will become clearer.

The cost of the program is \$13,500. Travel costs, accommodation and reimbursements are additional to the quoted cost. The travel cost would be reduced if a similar program is conducted for other co-operatives.

The cost includes devising, preparing and delivering program, preparation of a report and recommendations re development of a training program for staff and members of Capricorn.

It is likely that sometime mid-2006 would be suitable for program delivery, given that the College will require approximately 3 months lead time in order to complete the necessary research and program development.

The Federation is particularly delighted by Capricorn's leadership and initiative in committing itself to co-operative education in this country.

It is particularly encouraging that the Co-operative College is willing to make available its years of experience in this field, by working in collaboration with the Federation. In doing so, the College is enabling us to build our capacity to deliver these programs in Australia in the longer term, i.e. recognizing the fact that one of the problems for co-operatives in this country is the lack of a distinct provider of co-operative education. Whilst other bodies have helped

fill the gap in terms of technical education, there is no other provider working on the distinct co-operative aspects.

We look forward to receiving your response to the proposal and of course are more than willing to attend a meeting to discuss the proposal.

In co-operation:

David Griffiths
Secretary